



June 27, 2014

To: Executive Board

Subject: **Fiscal Year 2014 Management Contractor Incentive Payment**

Recommendations

Authorize an incentive payment in the amount of \$33,000 to Veolia Transportation for their efforts on behalf of Foothill Transit during Fiscal Year 2014.

Analysis

Section 4.1 of the management services agreement between Foothill Transit and Veolia provides for the payment of an extraordinary performance bonus of up to \$100,000 annually. This amount shall be paid at the sole discretion of the Executive Board and shall not be added to the base compensation of Veolia Transportation for the ongoing management services that Veolia Transportation provides.

Attached is correspondence from Mr. Ken Westbrook, Chief Operating Officer for Veolia Transportation, which outlines the work that Veolia Transportation performed for Foothill Transit which might warrant consideration of such a bonus or incentive payment (**Attachment A**). Mr. Westbrook notes a number of items. In the year since the staffing changes of the management and administrative functions with Veolia Transportation maintaining the Transit Stores and Bus Stop/Facilities teams, both areas continue to perform strongly and provide good value to Foothill Transit's customers.

Please note that Mr. Westbrook indicates in his letter that any incentive payment would be focused on enhancing programs for the Veolia Transportation employees assigned to serve Foothill Transit. This would include only the Transit Store and Bus Stop/Facilities staff members as these will be the only employees serving the organization.

Fiscal Impact

Funding is available in Foothill Transit's adopted operating budget for this incentive.

Sincerely,

A handwritten signature in blue ink, appearing to read "LaShawn King Gillespie".

LaShawn King Gillespie
Director of Customer Service and Operations

A handwritten signature in blue ink, appearing to read "Doran J. Barnes".

Doran J. Barnes
Executive Director

June 17, 2014

Doran Barnes, Executive Director
Foothill Transit
100 S. Vincent Ave., Suite 200
West Covina, CA 91790

Re: Fiscal Year 2014 Incentive Payment

Dear Mr. Barnes:

The management services agreement between Foothill Transit and Veolia Transportation includes the opportunity for an incentive payment. This payment may be awarded at the sole discretion of the Executive Board in an amount up to \$33,000. The purpose of this letter is to seek your consideration of award of this incentive payment for fiscal year 2014.

Foothill Transit's key performance indicators provide a solid overview of the performance of the organization. Overall, our team has collectively worked very hard since the transition to maintain the high standards that the Foothill agency has exhibited for a number of years.

Fiscal year 2014 has been another exciting year for the Foothill Transit management team and Veolia Transportation is happy to have contributed to this success. Just a few of the notable projects that we have managed on behalf of the agency include:

- Facilities team continues to demonstrate a safe working environment. For the past 868 days, they have been accident free in the workplace.
- With the Grand Opening of the Industry Park N Ride, the Facilities team provides daily maintenance upkeep to the parking structure and grounds.
- The Facilities team provided support with the relocation of the Puente Hills Store, in preparation for the renovations to the current site. The project is scheduled to be completed in July 2014.
- Our Transit Store team continues to strive to provide outstanding customer service. A new phone system was installed at the Transit Stores. With the implementation of the new phone system, it has significantly reduced the dropped calls we were experiencing and significantly improved the Average Hold Time KPI. We continue to meet the Average Hold Time performance indicator maintaining the indicator at less than 45 seconds and answering over 90% of calls received during FY 2014.

Doran Barnes

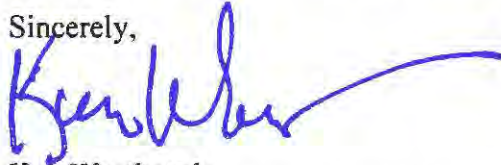
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In light of these accomplishments, we respectfully request your consideration of a one-time incentive payment that is appropriate given our level of effort and accomplishments. If approved by the Executive Board, Veolia Transportation will use any funds provided to enhance programs for our employees assigned to the Foothill Transit contract and recognize their efforts.

Thank you for your consideration and for the opportunity to serve Foothill Transit. If you have any questions regarding this request, please contact me at (630) 382-1120.

Sincerely,



Ken Westbrook

President & Chief Operating Officer

cc: K. McDonald, Deputy Executive Director
L. Gillespie, Director of Customer Service and Operations
B. Neill, Regional Vice President
K. Ooms, Vice President – Reporting and Accounting
A. Lopez, General Manager